

Adopted	Rejected
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## COMMITTEE REPORT

YES:	6
NO:	1

### MR. SPEAKER:

*Your Committee on Rules and Legislative Procedures, to which was referred Senate Bill 317, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

1       Page 1, between the enacting clause and line 1, begin a new  
2       paragraph and insert:  
3       "SECTION 1. IC 8-1-2-36.2 IS ADDED TO THE INDIANA CODE  
4       AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
5       1, 2001]: **Sec. 36.2. (a) As used in this section, "meter base" refers**  
6       **to the unit to which:**  
7       **(1) a meter; or**  
8       **(2) another device used to measure electricity supplied by a**  
9       **utility;**  
10      **is attached at the time the meter or device is installed.**  
11      **(b) As used in this section, "utility" refers to a public or**  
12      **municipally owned electric utility. The term includes a corporation**  
13      **formed under IC 8-1-13 to make electric energy available to**  
14      **inhabitants of rural areas of Indiana.**

(c) When a new customer of a utility installs electric service, or an existing customer of the utility upgrades the customer's electric service, the utility must supply the customer with a meter base if the meter base:

- (1) is necessary for the installation or upgrade; and
- (2) has not already been supplied by the customer.

A utility may not require a customer, or a contractor or subcontractor hired by the customer, to purchase or otherwise acquire a meter base from an outside supplier or vendor.

SECTION 2. IC 8-1-2-83 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 83. (a) ~~No~~ This section does not apply to:

- (1) a corporation organized or operating under IC 8-1-13; or
- (2) A corporation organized under IC 23-17, some of the members of which are local district corporations (as defined in IC 8-1-13-23).

(b) As used in this section, "control" means the power to direct the management and policies of a public utility, utility company, or holding company through:

- (1) the ownership of voting securities or stock;
- (2) the terms of a contract; or
- (3) other means.

The term does not include power from holding an official position or corporate office with the public utility, utility company, or holding company. Control is presumed to exist if a person, directly or indirectly, owns, controls, has the power to vote, or has the power to vote proxies that constitute at least twenty percent (20%) of the total voting power of the public utility, utility company, or holding company.

(c) As used in this section, unless otherwise indicated, "holding company" means a company that has control over one (1) or more:

- (1) public utilities; or
- (2) utility companies.

(d) As used in this section, "person" means an individual, a firm, a corporation, a company, a partnership, a limited liability company, an association, a trustee, a lessee, or a receiver.

(e) As used in this section, "reorganization" means a transaction that, regardless of the means by which it is accomplished, results

1 in:

2 (1) a change in the ownership of a majority of the voting  
3 capital stock of a public utility;

4 (2) a change in the ownership or control of an entity that owns  
5 or controls a majority of the voting capital stock of a public  
6 utility;

7 (3) the merger of two (2) public utilities; or

8 (4) the acquisition by one (1) public utility of substantially all  
9 assets of another public utility.

10 (f) As used in this section, "utility company" has the same  
11 meaning as the definition of public utility under section 1 of this  
12 chapter, except that a utility company owns, operates, manages, or  
13 controls a plant or equipment located outside Indiana.

14 (g) A public utility, as defined in section 1 of this chapter, ~~shall~~ **may**  
15 **not do any of the following without the approval of the commission**  
16 **after hearing:**

17 (1) Sell, assign, transfer, lease, or encumber its **stock**, franchise,  
18 works, or system to any other person, partnership, limited liability  
19 company, or corporation. ~~or~~

20 (2) Contract for the operation of any part of its works or system by  
21 any other person, partnership, limited liability company, or  
22 corporation. ~~without the approval of the commission after hearing.~~  
23 ~~And no such~~

24 (3) Contract for or effect a reorganization of the public utility.

25 (4) Acquire control, directly or indirectly, of a public utility,  
26 utility company, or holding company.

27 (h) A person may not acquire control, directly or indirectly, of  
28 a public utility or the holding company of a public utility without  
29 the approval of the commission after a hearing.

30 (i) A holding company that controls at least one (1) public utility  
31 may not acquire control of a utility company without the approval  
32 of the commission after a hearing.

33 (j) A public utility, except temporarily or in case of emergency and  
34 for a period of not exceeding thirty (30) days, ~~shall~~ **may not** make any  
35 special contract at rates other than those prescribed in its schedule of  
36 rates theretofore filed with the commission, and in force, with any other  
37 utility for rendering any service to or procuring any service from such  
38 other utility; without the approval of the commission. It shall be lawful,

1 however, for any utility to make a contract for service to or from  
 2 another utility at rates previously filed with and approved by the  
 3 commission and in force.

4 ~~(b)~~ **(k)** The approval of the commission of the sale, assignment,  
 5 transfer, lease, or encumbrance of a franchise or any part thereof under  
 6 this section shall not revive or validate any lapsed or invalid franchise,  
 7 or enlarge or add to the powers and privileges contained in the grant of  
 8 any franchise or waive any forfeiture. No such public utility shall  
 9 directly or indirectly purchase, acquire, or become the owner of any of  
 10 the property, stock, or bonds of any other public utility authorized to  
 11 engage or engaged in the same or a similar business, or operating or  
 12 purporting to operate under a franchise from the same or any other  
 13 municipality or under an indeterminate permit unless authorized so to  
 14 do by the commission.

15 ~~(c)~~ **(l)** Nothing contained in this section shall prevent the holding of  
 16 stock lawfully acquired before May 1, 1913, or prohibit, upon the  
 17 surrender or exchange of said stock pursuant to a reorganization plan,  
 18 the purchase, acquisition, taking, or holding by the owner of a  
 19 proportionate amount of the stock of any new corporation organized to  
 20 take over at foreclosure or other sale, the property of the corporation  
 21 whose stock has been thus surrendered or exchanged.

22 ~~(d)~~ **(m)** Every contract by any public utility for the purchase,  
 23 acquisition, assignment, or transfer to it of any of the stock of any other  
 24 public utility by or through any person, partnership, limited liability  
 25 company, or corporation without the approval of the commission shall  
 26 be void and of no effect, and no such transfer or assignment of such  
 27 stock upon the books of the corporation pursuant to any such contract  
 28 shall be effective for any purpose."

29 Page 2, delete lines 41 through 42, begin a new paragraph and  
 30 insert:

31 "SECTION 2. IC 8-1-2.6-4 IS AMENDED TO READ AS  
 32 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) A regulatory  
 33 flexibility committee is established to monitor competition in the  
 34 telephone industry.

35 (b) The committee is composed of the **following**:

36 **(1) The members of the a house commerce standing committee**  
 37 **and the selected by the speaker of the house of representatives.**

38 **(2) The members of a senate commerce standing committee**

selected by the president pro tempore of the senate.

(3) An additional member of the house of representatives, if selected by the speaker under subsection (d)(2) to be co-chair of the regulatory flexibility committee.

(4) An additional member of the senate, if selected by the president pro tempore under subsection (e)(2) to be co-chair of the regulatory flexibility committee.

(c) In selecting standing committees under this subsection, the speaker and president pro tempore shall determine which standing committee of the house of representatives and the senate, respectively, has subject matter jurisdiction that most closely relates to the electricity, gas, energy policy, and telecommunications jurisdiction of the regulatory flexibility committee.

(d) The chairman of each of those committees speaker of the house of representatives shall appoint:

(1) a member of the standing committee selected by the speaker under subsection (b); or

(2) a member of the house of representatives who is not a member of the standing committee selected by the speaker under subsection (b);

to be co-chair of the regulatory flexibility committee.

(e) The president pro tempore of the senate shall appoint:

(1) a member of the standing committee selected by the president pro tempore under subsection (b); or

(2) a member of the senate who is not a member of the standing committee selected by the president pro tempore under subsection (b);

to be co-chair of the regulatory flexibility committee.

~~(c)~~ (f) The commission shall by July 1 1993, and of each year thereafter, prepare for presentation to the regulatory flexibility committee an analysis of the effects of competition on universal service and on pricing of all telephone services under the jurisdiction of the commission.

~~(d)~~ (g) In addition to reviewing the commission report prepared under subsection ~~(c)~~; (f), the regulatory flexibility committee shall also issue a report and recommendations to the legislative council by November 1 1993, and of each year. thereafter that is The report and

**review must be** based on a review of the following issues:

- (1) The effects of competition in the telephone industry and impact of competition on available subsidies used to maintain universal service.
- (2) The status of modernization of the public telephone network in Indiana and the incentives required to further enhance this infrastructure.
- (3) The effects on economic development and educational opportunities of this modernization.
- (4) The current method of regulating telephone companies and the method's effectiveness.
- (5) The economic and social effectiveness of current telephone service pricing.
- (6) All other telecommunications issues the committee deems appropriate.

~~(e)~~ **(h)** The regulatory flexibility committee shall meet on the call of the co-chairmen to study telecommunications issues described in subsection ~~(d)~~ **(g)**. The committee shall, with the approval of the commission, retain the independent consultants the committee considers appropriate to assist the committee in the review and study. The expenses for the consultants shall be paid by the commission."

Delete page 3.

Page 4, delete lines 1 through 2, begin a new paragraph and insert:  
"SECTION 3. IC 8-1-8.3 IS ADDED TO THE INDIANA CODE AS  
A **NEW CHAPTER TO READ AS FOLLOWS** [EFFECTIVE JULY  
1, 2001]:

**Chapter 8.3. Utility Worker Skills and Standards Committee**

**Sec. 1. As used in this chapter, "committee" refers to the utility worker skills and standards committee established by section 3 of this chapter.**

**Sec. 2. As used in this chapter, "utility" means a plant or equipment within Indiana that is used for the production, transmission, delivery, or furnishing of electricity, either directly or indirectly, to the public.**

**Sec. 3. There is established the utility worker skills and standards committee consisting of the following eleven (11) members:**

- (1) The utility consumer counselor, who is an ex officio**

member of the committee. Except as provided in section 5 of this chapter, the utility consumer counselor is a nonvoting member of the committee. The utility consumer counselor shall serve as chair of the committee.

(2) Five (5) members appointed by the governor, with one (1) member representing each of the following:

(A) A public utility (as defined in IC 8-1-2-1) that produces, transmits, delivers, or furnishes electricity, either directly or indirectly, to the public.

(B) A rural electric membership corporation formed under IC 8-1-13.

(C) A municipally owned utility (as defined in IC 8-1-2-1) that produces, transmits, delivers, or furnishes electricity, either directly or indirectly, to the public.

(D) A public utility described in clause (A) that has withdrawn from the commission's jurisdiction under any provision of Indiana law, or over which the commission has declined to exercise jurisdiction under any provision of Indiana law.

(E) A nonutility owned electric generation and transmission company.

(3) Five (5) members appointed by the governor, with one (1) member representing each of the following employee organizations:

(A) The Indiana State AFL-CIO.

(B) The Indiana State Building Trades Council.

(C) The International Brotherhood of Electrical Workers.

(D) The American Federation of State, County, and Municipal Employees.

(E) The United Steelworkers of America.

Sec. 4. (a) A member appointed under section 3(2) or 3(3) of this chapter serves for a term of four (4) years, except when a member is appointed to fill a vacancy, in which case the appointment is for the unexpired term only. A member appointed under section 3(2) or 3(3) of this chapter serves until the member's successor is appointed and qualified. However, a member appointed under section 3(2) or 3(3) of this chapter may be reappointed to successive terms. The utility consumer counselor serves on the

committee for the duration of the counselor's appointment under IC 8-1-1.1-3.

(b) A member appointed under section (3)(2) or 3(3) of this chapter may be removed at any time by the governor for cause.

(c) Six (6) members of the committee constitute a quorum.

(d) The chair shall call the number of meetings necessary for the committee to adopt the initial rules required under section 5 of this chapter. After the committee adopts the initial rules required under section 5 of this chapter, the committee shall meet at least one (1) time each calendar year to review the effectiveness of the rules and consider whether any additions or amendments to the rules are needed. Upon the call of the chair or a simple majority of the members of the committee, the committee shall hold any additional meetings necessary to amend the rules.

Sec. 5. The committee shall adopt rules under IC 4-22-2 to establish skill and training standards for employees who operate or maintain utilities. The rules adopted must specify training standards and qualifications for utility employees who operate, maintain, service, and repair any or all parts of electric generation and transmission facilities, materials, or equipment. All standards and qualifications must be approved by a vote of a simple majority of the voting members of the committee. Any proposed standards or qualifications not agreed to by a simple majority of the voting members of the committee must be submitted to the utility consumer counselor, who, as chair of the committee, shall make a final determination concerning the proposed standards or qualifications. The chair shall either approve or deny the proposed standards or qualifications based on:

(1) information submitted by committee members appointed under section 3(2) of this chapter; or

(2) information submitted by committee members appointed under section 3(3) of this chapter;

or on information submitted by a combination of committee members appointed under section 3(2) and 3(3) of this chapter. However, the chair may not create any new standards or qualifications or approve any standards or qualifications that were not proposed by members appointed under section 3(2) or 3(3) of this chapter.



1       SECTION 4. IC 8-1-8.4 IS ADDED TO THE INDIANA CODE AS  
2       A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON  
3       PASSAGE]:

4       **Chapter 8.4. Merchant Power Plants**

5       **Sec. 1. (a) "Merchant power plant" means a facility within**  
6       **Indiana used for the:**

7           **(1) production, transmission, delivery, or furnishing of heat,**  
8           **light, or power; and**

9           **(2) sale of electric energy exclusively on the wholesale market;**  
10       **to other public utilities, energy service providers, or power**  
11       **marketers within or outside Indiana.**

12       **(b) The term includes a facility that has made a significant**  
13       **alteration to the labor used to construct or remodel the facility. For**  
14       **purposes of this subsection, a facility makes a significant alteration**  
15       **in the labor used to construct or remodel a facility if the person**  
16       **uses contractors, subcontractors, or work crews that include**  
17       **workers who are not participants in or have not completed a**  
18       **jointly administered labor and management apprenticeship**  
19       **program approved by the United States Department of Labor's**  
20       **Bureau of Apprenticeship Training.**

21       **(c) The term does not include a facility that is owned, controlled,**  
22       **or operated by a person that is obligated contractually to provide**  
23       **substantially all of the wholesale power requirements of an**  
24       **electricity supplier under a contract extending at least five (5)**  
25       **years.**

26       **Sec. 2. (a) A merchant power plant is subject to the jurisdiction**  
27       **of the commission.**

28       **(b) This subsection does not apply to a merchant power plant**  
29       **described in section 1(b) of this chapter. The commission may**  
30       **decline to exercise in whole or in part its jurisdiction over a**  
31       **merchant power plant described in section 1(a) of this chapter that**  
32       **has filed an application with the commission before March 1, 2001.**

33       **Sec. 3. The commission shall consider the following when acting**  
34       **upon any petition by a merchant power plant under IC 8-1-8.5 or**  
35       **IC 8-1-2.5:**

36           **(1) Location.**

37           **(2) Need.**

38           **(3) Financing.**

1           **(4) Reporting requirements.**

2           **(5) Effect on electric suppliers and customers.**

3           **Sec. 4. When considering whether to approve a merchant power**  
 4 **plant, the commission shall give preference to the following**  
 5 **locations for siting:**

6           **(1) Brownfield sites that are isolated from populated areas.**

7           **(2) Sites of existing or former utilities that can be replaced or**  
 8 **repowered.**

9           **(3) Other sites identified for power plant or heavy industrial**  
 10 **development in local land use plans before the initiation of site**  
 11 **selection for the facility.**

12           **Sec. 5. Following the approval of a petition by the commission,**  
 13 **the merchant power plant shall:**

14           **(1) notify the commission upon becoming an affiliate of any**  
 15 **regulated Indiana utility selling electricity at retail to Indiana**  
 16 **consumers, at which time the commission may reassert any**  
 17 **jurisdiction it had declined under IC 8-1-2.5;**

18           **(2) obtain prior commission approval with respect to the sale**  
 19 **of any electricity to any affiliated regulated Indiana retail**  
 20 **utility, or any affiliate of a regulated Indiana retail utility;**  
 21 **and**

22           **(3) obtain prior commission approval of any transfers of**  
 23 **ownership of the facility or its assets.**

24           **SECTION 5. [EFFECTIVE JULY 1, 2001] (a) As used in this**  
 25 **SECTION, "committee" refers to the utility worker skills and**  
 26 **standards committee established by IC 8-1-8.3-3, as added by this**  
 27 **act.**

28           **(b) Notwithstanding IC 8-1-8.3-4(a), as added by this act, before**  
 29 **September 1, 2001, the governor shall make the initial**  
 30 **appointments to the committee as follows:**

31           **(1) The members appointed under IC 8-1-8.3-3(2)(A),**  
 32 **IC 8-1-8.3-3(2)(B), IC 8-1-8.3-3(2)(C), IC 8-1-8.3-3(3)(A),**  
 33 **IC 8-1-8.3-3(3)(B), and IC 8-1-8.3-3(3)(C), all as added by this**  
 34 **act, for a term of four (4) years.**

35           **(2) The members appointed under IC 8-1-8.3-3(2)(D),**  
 36 **IC 8-1-8.3-3(2)(E), IC 8-1-8.3-3(3)(D), and IC 8-1-8.3-3(3)(E),**  
 37 **all as added by this act, for a term of three (3) years.**

38           **(c) The committee shall adopt the initial rules required by**

- 1 **IC 8-1-8.3-5, as added by this act, not later than January 1, 2003.**
- 2 **(d) This SECTION expires July 1, 2003."**
- 3 Renumber all SECTIONS consecutively.  
(Reference is to SB 317 as printed January 31, 2001.)

**and when so amended that said bill do pass.**

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Representative Moses